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CENTRAL INTELLIGENCE AGENCY
SOURCE METHOD EXEMPTION 3B2B
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2008

VIA: _____
(SPECIFY AIR OR SEA ROUTE)

DISPATCH NO. EASA- 1149

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TO : Chief, EE
Attention: L
FROM : Chief of Base, Salzburg

DATE: 30 March 1953

SUBJECT: GENERAL— Op/GROOVI

SPECIFIC— GROSSBARN - CC-2
- General Security

Reference: EASW-188

1. The points you raise in paragraph 3 of reference are valid and require thorough consideration. We have never stoutly contended that the Grossbarn operation was completely clandestine and have often wondered out loud, in memo form, how he retains his cloak of anonymity so well in the hotbed of Salzburg intrigue. Grossbarn is entering his sixth year of service with KUBARK and it is inevitable that anyone who stays in place that long is going to commence to wear a bit thin at the cover seams. In spite of his shortcomings in this security regard (a few soft spots showing up as exemplified in the CC-2 affair), we do feel that what Grossbarn has to offer us does outweigh a certain lack of clandestinity. He is our long arm, sweeping the local landscape; an arm which is extremely flexible and can be adjusted to give most desired results. At the same time, he does serve as an effective block between field operations and the front door of SOB. If we tried to run the same operations with staff personnel as we are now running through Grossbarn, we might be faced with the possibility of having the roll-up come through the SOB door. We feel an excellent example in point was the Slovakian operation, which stopped one link short of Grossbarn in the persons of SLAA and XI-1.

2. Naturally, we agree the one weakness of such theorizing lies in a possible penetration as we have had forced home to us in the CC-2 case. To this can be said that CC-2 could tell Hoettl little even had he been so inclined. He could identify no U. S. personnel, he could give no financial run-down and could make no guesses as to Grossbarn's degree of cooperation with and attitude towards his employers. This would seem to speak well for the care with which Grossbarn handles his staff. In this vein, we have made it a fetish to get all Grossbarn's people on LC-FLUTTER and have been successful in doing so, with a few minor exceptions. Given time, we will have the slate complete. Grossbarn personally is due for a re-check, which we hope to schedule within the next few months. Not that we have any misgivings about Grossbarn's basic loyalties; we merely wish to make sure and also have a few minor points, such as the OFFCZAREK affair, to clean up.

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3. Thus we come down to the following facts we wish to establish; penetration at a low level in the Grossbahn operation would be comparatively unrewarding vis-a-vis a penetration of KUBARK due to the effective screening operation Grossbahn performs for us and the care with which he handles his personnel. Secondly, we have checked out all main personalities utilized by Grossbahn on LCFLUTTER and will maintain a schedule of periodic re-check. The great danger for us lies in a penetration through Grossbahn himself, a thought we find hard to reconcile with fact. Be that as it may, in spite of our feelings that Grossbahn is essentially our man, we do intend to apply the same procedures to him as to the rest of his operation; he will be re-checked periodically on LCFLUTTER and we will apply the traditional testing techniques, continue gathering detailed personalia on all his contacts and continue checking his details against facts coming in from other sources.

4. Rounding out the picture in regards to the personal security of Grossbahn, needless to say, we are over-cautions in this respect, are constantly lecturing him on the need to keep his guard high and usually escort him on any trips where we feel there is an unreasonable degree of danger, e.g., trips to Vienna are made with his case officer via [] means.

5. We appreciate your thoughts in regard to the need for a thorough CE analysis, but looking back on the Grossbahn operation for the period since SOB took it over, we gain the impression that we have done a fairly thorough job of polishing off the roughest corners, and except for possibly a few minor chinks close to Grossbahn personally, the operation has been overhauled and streamlined. The Slovakian and Hungarian operations are by the board, and possibly with a good deal of luck, the Grace of God, and sound compartmentation by Grossbahn, we came out of those without any terrifying compromises. XI-1, who was the one closest to Grossbahn to become compromised, is slated for REE employment as soon as we can work out the final details. SIAA, who was also badly burned, has long since been dropped. CC-2, another soft spot, is gone. Our recent memo (EASA-1096), which fairly well winds up the CC-2 affair, expresses our previous thoughts that the damage CC-2 was able to do through HOETTL appears to be insignificant. We are in the throes of an operation involving AA-2 (ref. EASA-1097) which should throw considerable cold CE light on the entire AA operation.

6. The only important assets left untouched upon in the preceding paragraph are: HH-1, ZZ-1, PP group in Salzburg and the CC administrative staff close to Grossbahn. We did deal at some length regarding Grossbahn's takeover of the HH-1 contact from CC-2 in EASA-819. The contact with ZZ-1 has been reported on a continuous basis and appears fairly sound and secure. The PP group in Salzburg is one spot where we might spend some time looking into operations from a general CE standpoint. We will take this matter up with Grossbahn, time and conditions permitting. The remaining CC staff close to Grossbahn are his most trusted employees and, naturally, the most sensitive spot in his operations. We feel his

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handling of his staff has been exceptionally sound (e.g. the case of CC-2 who could tell little even had he so wished), but we will continue to do all possible to insure that his standards of compartmentation are maintained at the highest possible level. Another factor is that the personal relationship between Grossbahr and his staff is of such a nature, in spite of the unfortunate CC-2 experience, that we do feel that they would be loyal enough to report any attempts to wring information from them. To this can be added the eye-opening experience Grossbahr has recently gone through with CC-2, which we feel will tend to make him extremely CE sensitive toward his remaining staff.

7. The problem of EE-1, which is a peripheral one as Grossbahr sees him very seldom -- the relationship is more personal than business in nature -- is being treated with separately on the basis of EASW-1149 and Grossbahr's report will be forwarded shortly.

8. We do not wish to convey the impression that we feel all is rosy-hued vis-a-vis the CE aspects of the Grossbahr operation. One thing that bothers us considerably along this line is the predilection of Grossbahr's people for casually throwing out a name a few years after they first establish contact. All his people, past and present, have carried sources, sub-sources, operational contacts, political and/or social contacts without ever quite clarifying their status. Grossbahr has been equally guilty in this regard as witness your recent questions in EASW-1149 concerning his exact relationship with EE-1. We have cracked down -- probably not as hard as we should -- on Grossbahr and have stated that he must furnish a listing of all operational contacts since the inception of his operations. We realize this is a tremendous task, but we see no other way around the problem. Some added examples we can cite -- and items we are working on -- are FP-1's "contacts in the Ministry of Interior" and "contacts in Vienna city Police", AA-1 and AA-2's relationships with ~~WOLFE~~ WOLFE, ~~HEMUTH~~ HEMUTH in Vienna, and the status of Grossbahr's "liaison" relationship with SIAA and SIAG. These are some of the things that really bother us about the Grossbahr operation and we consider them an extremely serious CE weakness. As we have said, our first step will be the operational contact list we are pressuring Grossbahr for and we hope from there to establish a degree of progress in determining exactly how far the periphery of Grossbahr's operations extend.

9. We have thus lead ourselves around to the point we wished to establish originally in paragraph 5, that circumstances, coupled with our own efforts, have forced us to conduct CE analysis of the Grossbahr operation on a continuing basis. There are a few spots left untouched, as we have pointed out, and we will strive to do a bit of poking around in these corners.

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